

State of Wisconsin Department of Public Instruction

Elizabeth Burmaster, State Superintendent

December 14, 2004

DEC 1 5 2004

The Honorable Joe Leibham, Co-Chair Joint Committee for the Review of Administrative Rules Room 409 South State Capitol Madison, WI 53702

The Honorable Glenn Grothman, Co-Chair Joint Committee for the Review of Administrative Rules Room 15 North State Capitol Madison, WI 53702

Dear Senator Leibham and Representative Grothman:

The Department of Public Instruction is submitting this letter as a petition to extend for 60 days the effective period of the emergency rule relating to financial reporting requirements under the Milwaukee Parental Choice Program (MPCP). 2003 Wisconsin Act 155 made a number of changes to the MPCP, under which certain low-income pupils who reside in the city of Milwaukee may attend participating private schools in the city at state expense. The Act requires participating private schools to:

- Provide the department with evidence of financial viability.
- Provide the department with evidence of sound fiscal practices.
- Provide proof that the administrator has participated in a fiscal management training program approved by the department.

The Act also gives the state superintendent the authority to:

- Withhold aid if a participating private school is not in compliance with program requirements.
- Under certain circumstances, issue an order prohibiting a private school from participating in the program in the current year.
- Immediately terminate a private school's participation in the program if conditions at the school present an imminent threat to the health and safety of pupils.

Whenever the state superintendent issues an order terminating a school's participation, she must notify the parent or guardian of each pupil at that school.

The rule sets forth the process by which the department will implement the provisions under the Act, which is effective starting in the 2004-05 school year. The rule also specifies the responsibilities of auditors and the department in determining if the school is meeting the requirements under the Act.

The rule was developed based on a review of fiscal practices contained in policy manuals for non-governmental organizations affiliated with MPCP private schools, recommended practices by national organizations, requirements that other state agencies have for private and non-profit organizations, and internal control practices contained in professional accounting and auditing literature. Financial practices and audit requirements included in the rule are similar to those required for school districts, charter schools, other state agency requirements for non-profit and for-profit organizations, and are consistent with generally accepted national standards. An overview of rule items was provided to interested parties, but discussion was limited due to the short implementation timeframe imposed under 2003 Wisconsin Act 155.

This is the second emergency rule extension requested by the department. The Joint Committee for the Review of Administrative Rules granted the first 60-day extension by executive session on November 23, 2004. The emergency rule will expire January 25, 2005. The proposed permanent rule was submitted to the Legislative Council Rules Clearinghouse on July 9, 2004. The department held a public hearing on the emergency and proposed permanent rules on September 13, 2004, in Milwaukee. Pursuant to s. 227.19 (2), Stats., notice of rules in final draft form will not be submitted to the presiding officers of each house of the legislature until January 2005. In the meantime, the department continues to work with interested parties to determine how the emergency rule will be implemented until the permanent rule is in place. We hope to have permanent rules effective by April 1, 2005.

We are requesting this extension to ensure that procedures relating to program participation remain in place during the legislative review period of the proposed permanent rule. If you have any questions relating to this request, please contact Tricia Collins, Milwaukee Parental Choice Program Consultant, at (608) 266-2853. Thank you for your consideration of this request.

Sincerely,

Anthony & Evers

Deputy State Superintendent

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P.O. Box 7882 Madison, WI 53707-7882 (608) 266-2056



P.O. Box 8952 Madison, WI 53708-8952 (608) 264-8486

JOINT COMMITTEE FOR REVIEW OF ADMINISTRATIVE RULES

Concurrence Motion Form

December 16, 2004 State Capitol

Moved by Grothman,	Seconded by	Rennolds	
	-		*

THAT, pursuant to s. 227.19(4)(d)6, <u>stats</u>. the Joint Committee for Review of Administrative Rules concurs with the Assembly Education Reform Committee 's motion to object to proposed Clearinghouse Rule 04-069.

COMMITTEE MEMBER	Aye	No	Absent
1. Senator LEIBHAM			
2. Senator LAZICH	V		
3. Senator REYNOLDS			
4. Senator ROBSON		/	
5. Senator COGGS			
6. Representative GROTHMAN			
7. Representative SERATTI			
8. Representative GUNDERSON			
9. Representative BLACK			
10. Representative HEBL			
Totals			

₩Motion Carried

☐Motion Failed

P.O. Box 7882 MADISON, WI 53707-7882 (608) 266-2056



P.O. Box 8952 Madison, WI 53708-8952 (608) 264-8486

JOINT COMMITTEE FOR REVIEW OF ADMINISTRATIVE RULES

December 17, 2004

Elizabeth Burmaster, Superintendent Department of Public Instruction 125 S. Webster Street Madison, WI 53707

Dear Superintendent Burmaster:

The Joint Committee for the Review of Administrative Rules met in Executive Session on December 16, 2004 and adopted the following motions:

Clearinghouse Rule 04-069 Relating to prorating under the Milwaukee School Choice Program. THAT, pursuant to s. 227.19 (4) (d) 6 and 5 (d), stats. the Joint Committee for Review of Administrative Rules objects to proposed Clearinghouse Rule 04-069.

Motion Carried 6 Ayes, 4 Noes

THAT, pursuant to s. 227.24(2)(a), stats. the Joint Committee for Review of Administrative Rules extends the effective period of emergency rule PI 35 for 60 days at the request of the Department of Public Instruction.

Motion Carried 10 Ayes, 0 Noes

Pursuant to s. 227.24(2)(c) Stats, we are notifying the Secretary of State and the Revisor of Statutes of the Committee's action through copies of this letter.

Sincerely,

Senator Joe Leibham Senate Co-Chair Representative Glenn Grothman Assembly Co-Chair

IKL:GSG:mjd

cc: Secretary of State Doug LaFollette Revisor of Statutes Gary Poulson P.O. Box 7882

MADISON, WI 53707-7882 (608) 266-2056



P.O. Box 8952 Madison, WI 53708-8952 (608) 264-8486

JOINT COMMITTEE FOR REVIEW OF ADMINISTRATIVE RULES

December 17, 2004

The Honorable Alan Lasee Senate President State Capitol Building, Room 220 South Madison, WI 53702

The Honorable John Gard Assembly Speaker State Capitol Building, Room 211 West Madison, WI 53702

Dear President Lasee and Speaker Gard:

The Joint Committee for the Review of Administrative Rules met in Executive Session on December 16, 2004 and adopted the following motions:

Clearinghouse Rule 04-069 Relating to prorating under the Milwaukee School Choice Program.

THAT, pursuant to s. 227.19 (4) (d) 6 and 5 (d), stats. the Joint Committee for Review of Administrative Rules objects to proposed Clearinghouse Rule 04-069.

Motion Carried

6 Ayes, 4 Noes

Clearinghouse Rule 04-081 Relating to prevailing wage rates on public works projects and affecting small business.

That, the Joint Committee for Review of Administrative Rules:

- 1. Requests, pursuant to s. 227.19 (5) (b) 2. Stats., that the Department of Workforce Development consider making modifications to Clearinghouse Rule 04-081.
- 2. Objects, pursuant to s. 227.19 (4) (d) 6. and (5) (d), Stats., to Clearinghouse Rule 04-081 if the Department of Workforce Development does not agree, by 5:00 p.m. of December 23, 2004, to consider making modifications to the rule.

Motion Carried

6 Ayes, 4 Noes

THAT, pursuant to s. 227.24(2)(a), <u>stats</u>. the Joint Committee for Review of Administrative Rules extends the effective period of emergency rules NR 10, NR 1.05, 1.06 and 1.07, NR 310, NR 320, NR 329, NR 343, NR 345, NR 328, Tax 2.99, Tax 3.04, PI 35, RL 31.035 (1m) et al. for 60 days at the request of the Departments of Natural Resources, Revenue, Regulation and Licensing, and Public Instruction.

Motion Carried 10 Ayes, 0 Noes

Pursuant to s. 227.24(2)(c), <u>stats</u>., as treated by 1997 Wisconsin Act 185, please forward a copy of this notice to the chairperson of the standing committee in your respective house most likely to have jurisdiction over the Clearinghouse Rule corresponding to this emergency rule.

Sincerely,

Senator Joseph Leibham

Senate Co-Chair

Representative Glenn Grothman

Assembly Co-Chair

JKL:GSG:mjd